

Health insurance markets for Medicare beneficiaries: site visit overview

ISSUE: This summer MedPAC staff, working with Mathematica Policy Research experts, conducted site visits in Atlanta, Georgia; Long Island, New York; Minneapolis/St Paul, Minnesota; San Diego, California, and the state of Nebraska. These sites illustrate how the insurance options that are actually available to Medicare beneficiaries – including those that supplement FFS Medicare and those designed to replace it – have evolved very differently in local markets across the United States. In each site, we conducted interviews with health plan and provider organization administrators; insurers; beneficiary advocates; public officials involved in the regulation and oversight of Medicaid, insurance, and managed care; employers and insurance brokers who deal with retiree health insurance issues, and, in specific markets, others, such as the Department of Veterans Affairs facilities that play important roles in the local health care system.

KEY POINTS:

The site visits help identify factors that have contributed to, or posed barriers to, the effective functioning of markets for different sorts of insurance products for different beneficiary populations.

Each of the markets are characterized by different configurations of coverage that reflect differences in 1) the regulation of insurance products and health care providers; 2) economic and demographic factors affecting the availability of employer-sponsored retiree health insurance; 3) the availability and generosity of public programs that supplement Medicare; 4) the nature of competition among provider organizations and insurers; and 5) experiences with, and views about, the health delivery system and health insurance.

Nevertheless, some issues seemed to arise consistently across all the sites. Most prominent among these were declines in employer provision of, or employer contributions to, supplemental health insurance for retirees enrolled in Medicare; and concerns about differences or inconsistencies in Medicare (and other payers') payment methods and rates as well as regulation and oversight of different products that supplement or replace Medicare.

ACTION: The mailing materials provide brief overviews of each site. A full report on the site visits is in progress. Staff would like Commissioners to comment on the background material and provide input regarding the themes, issues and focus they would like to see as we develop the report.

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